

The Recovery Act in Michigan

4th Quarter 2010

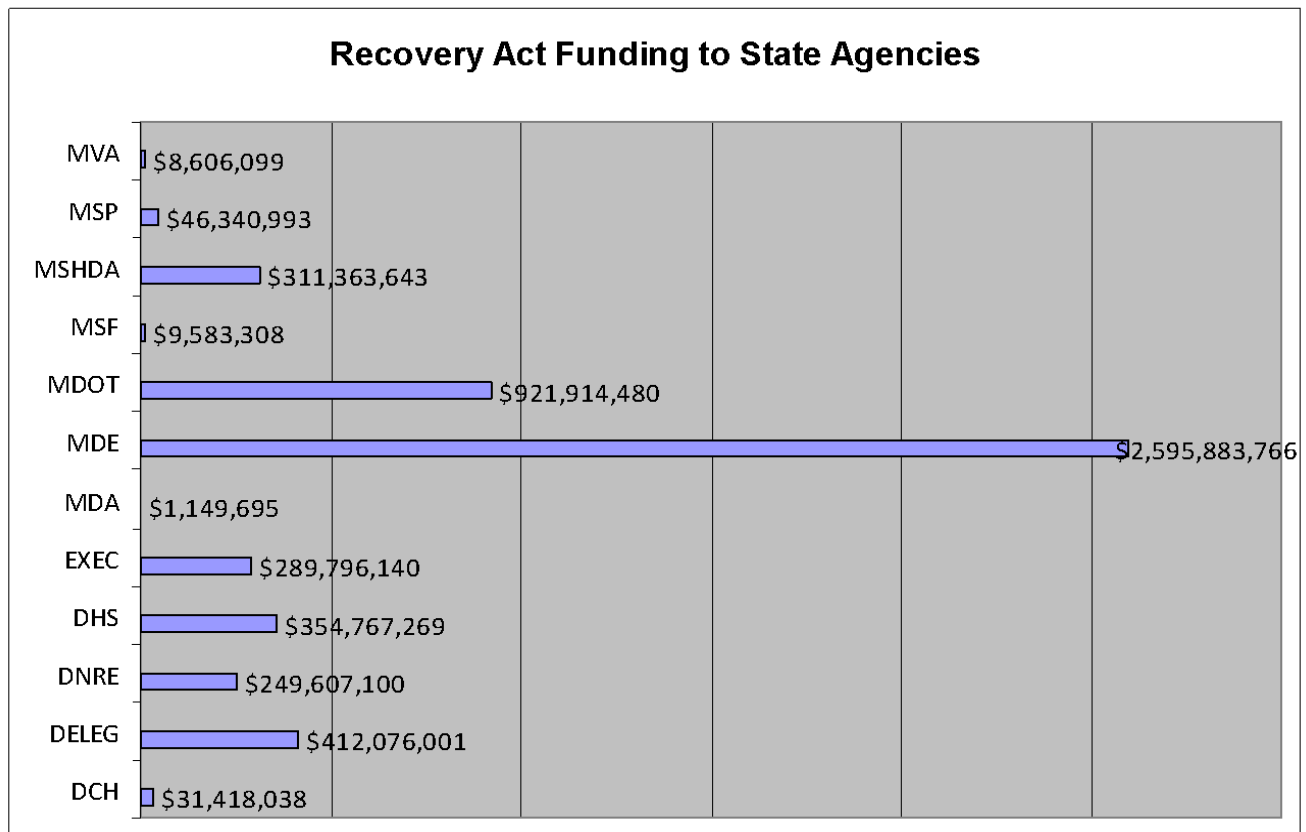


The federal government requires an unprecedented level of data reporting and transparency regarding the spending of Recovery Act funds. In Michigan, we too are committed to transparency and accountability in the expenditure of these funds so citizens will know they are being invested wisely and responsibly on their behalf.

Section 1512 Reporting: January 2011

Section 1512 of the Recovery Act requires that recipients of funding submit quarterly reports on their activities and spending. By statute, these reports are due to the federal government ten days after the close of each quarter.

Twelve state of Michigan agencies received funding under the Recovery Act from a variety of federal agencies, detailed in the chart below. Totals represent funding as of December 31, 2010.



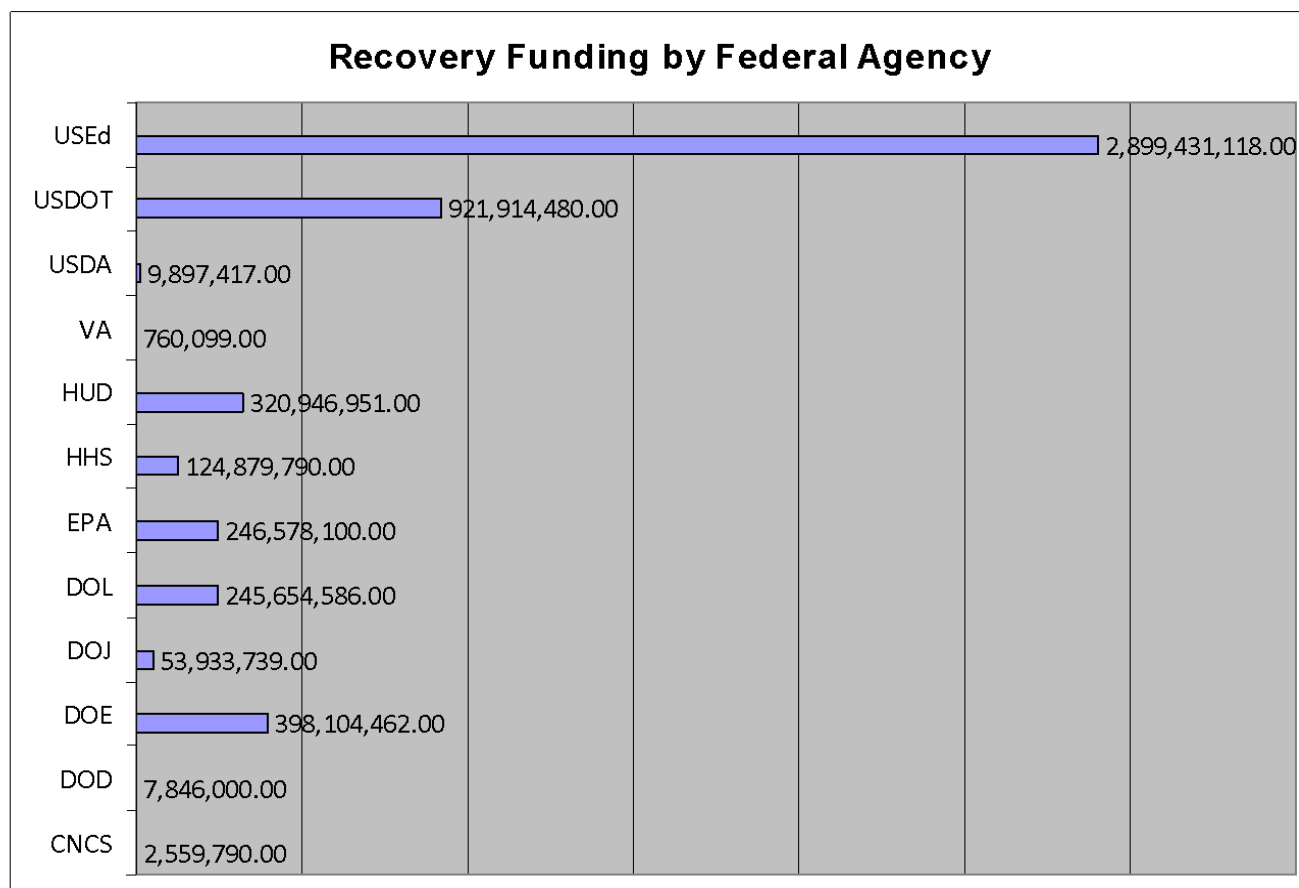
Under federal guidelines, state agencies that received Recovery Act funding were required to submit a separate report for each federal funding award they received. The Michigan Departments of Community Health, Natural Resources and Environment, Human Services, Transportation, Education, State Police, Military & Veterans Affairs and Energy, Labor & Economic Growth along with the Executive Office, Michigan Strategic Fund and the Michigan State Housing Development Authority submitted a combined 838 reports.

In addition, non-state agencies, including municipal governments, universities, community colleges, tribal governments, non-profit organizations and for-profit companies are required to submit reports for each award they receive through the Recovery Act.

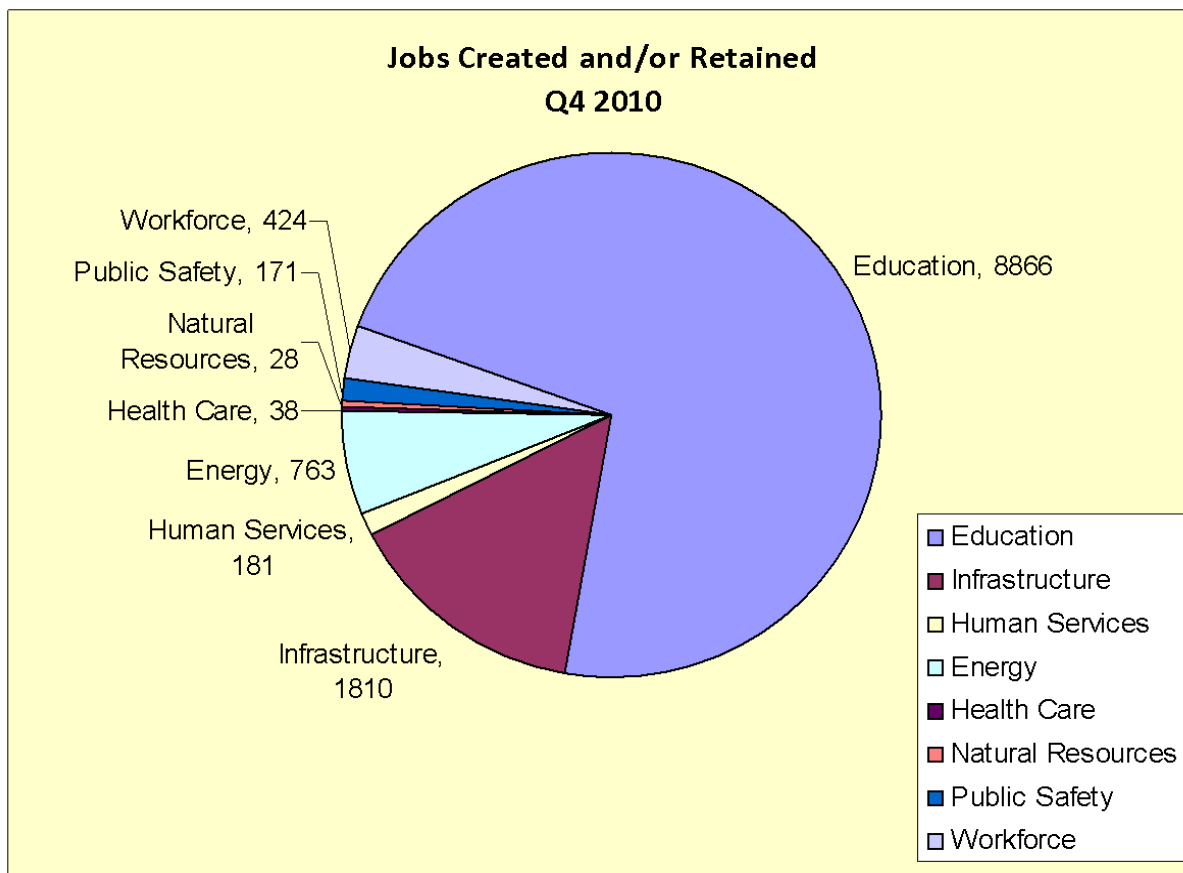
NOTE #1: None of the spending activities reported by these non-state agencies are included in the statistics that follow. All reports from non-state agencies, as well as the state agency reports represented in this document, will be available to the public on January 30, 2011 at www.Recovery.gov.

To date, the state of Michigan's reports show:

- **\$5,232,506,532 has been allocated to state agencies in programs required to report.** The chart below highlights allocation by federal agency through December 31, 2010.



- **\$ 3,385,367,748.93 has been spent to date by state agencies and their sub-recipients in programs that must submit Section 1512 reports.**
- **12,280.94 jobs created or retained in this quarter through spending in programs required to report.** Since the inception of the Recovery Act, state and non-state recipients in Michigan have reported more than 102,000 jobs retained or created with Recovery Act funds. The chart below details job creation by category in programs required to be reported on by state agencies for the fourth quarter of 2010.



NOTE #2: All recipients have a review period (January 15th) during which they can edit their reports. On January 16th, federal agencies begin their review period during which time they have the opportunity to request changes and/or corrections, if necessary, by the entity submitting the report. The federal agency review period ends on January 29th. As a result of this review process, all data should be considered preliminary until the final reports are published on Recovery.gov on January 30, 2011.

Additional Recovery Act Spending in Michigan

Not all programs receiving Recovery Act funding are required to submit Section 1512 reports. Entitlement programs, payments made directly to individuals and tax provisions are not covered by Section 1512. Major programs not included in the Section 1512 reports include Medicaid, unemployment benefits and food assistance payments.

In addition, funding provided directly to local communities, institutions of higher education, non-profit organizations, tribal governments and others is not captured in the state reports. Therefore, the information contained in the state's Section 1512 reports represents only a portion of the overall impact of the Recovery Act.

The current economic climate has created many challenges for Michigan's families and communities. The Recovery Act is helping meet those challenges by providing critical funding for our economic priorities: job creation, health care, education and job training, social service programs and more.